

THE QUADRENNIAL ENERGY REVIEW (QER) COMMENTS

FRANKLIN COUNTY, OHIO COMMISSIONER PAULA BROOKS

October 10, 2014

It has been a privilege over many years to participate in policy making related to energy issues, beginning as a law student and a special assistant to the Ohio Attorney General. Today as a Franklin County, Ohio Commissioner, I have been serving as an energy policy leader for the National Association of Counties (NACo), and most recently, and importantly on behalf of my country, I have been proud to lead the energy sector for the bi-partisan White House Task Force on Climate Preparedness and Resilience.

The entirety of the energy sector is rife with complexity. Many challenges lie ahead as we enter into a new era of needed resilience, in the face of foreign and domestic threats, resource shortages, climate impacts, and inconsistencies, in regulatory processes. Most of all, it is important that the Quadrennial Energy Review (QER) provide our nation with a strong and certain energy policy to guide Americans in these challenging times and keep us safe, secure, healthy, and fiscally sound. It is imperative that the QER tackle the tough issues of antiquated regulatory systems and needed new infrastructure, as well as address the patchwork of regulatory requirements throughout the states and our federal government. All of this creates difficult challenges for consumers, government, and the private sector alike. Understanding that most energy assets are private property necessitates that regulators give those private industry actors and stakeholders certainty to the degree that it is possible to avoid undue cost to consumers, and aide financing that will remain sorely needed. This will benefit consumers and our national and domestic security.

From the work and deliberations of the White House Task Force on Climate Preparedness and Resilience, it became very clear to me that energy sources and the structure of transmission, storage, and distribution are changing here in the US and around the world with a degree of rapidity. This poses challenges for an aging grid that has been under development for over 100 years. As local government, our constituents are relying on us more and more to ensure that their power sources flow at a reasonable cost, are stable, clean, and that more renewable energy is produced and placed on that grid and otherwise available. At the same time, reliability of power through use of both new domestic natural gas resources and renewable distributed energy, along with the hardening and strengthening to a more resilient current grid will necessitate that local and state governments and utilities work together so that the public's energy supply is reliably assured, and our communities, at the same time, are protected from health and safety issues such as those seen during the Derecho in 2012, and of course superstorms like Sandy, more of which are yet to come. Public health costs should also be a part of the planning as we account for all energy costs.

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The U.S. Climate Assessment released in May of 2014, made clear that climate impacts are becoming both more frequent and growing in intensity throughout the Nation, as well as in the Great Lakes Region inclusive of Ohio. This recognition must be factored into our national energy policy and understood, discussed, and incorporated into regulatory practices and planning. Whether it is scaling up renewable energy or hardening and making the electric grid more resilient and accepting of “on grid” renewable energy, these are “big ticket” costs. Joining with the insurance and reinsurance industry and manufacturers to better understand the value proposition for these measures and their yield to consumers, investors, and business alike, and thus our GDP, will afford our states and nation greater economic resiliency in the future. Issues such as stranded cost must be addressed and accounted for as an issue of transition into more advanced energy options.

As our world continues to shrink, forces both outside of America and from within contemplate and attack our most vital resource, our power system daily. Cyber security must be more robustly addressed and the magnitude of threat understood. Local, state, and federal government must have more interaction with private sector energy and business stakeholders to better understand these threats and how we can join together to best protect against them.

Along those lines, our local Emergency Management Agency has just formed the first in Ohio public-private “Cyber Security Task Force”. I am proud to be a Co-Chair along with Columbia Gas President Jack Partridge and Columbus City Councilmember Zach Klein. We are the first county to take this approach in Ohio, and we may be among the first in the nation. More understanding of the cyber-energy nexus can be accomplished with the integrated risk management approach our Cyber Security Task Force will address. This dialogue could be facilitated and encouraged by our federal government partners such as the U.S. Department of Energy and The Federal Energy Regulatory Commission (FERC), along with our federal, state, and local Homeland Security and law enforcement.

In order to both further facilitate community climate resilience and the compatibility of Market Resource Alternatives (MRAs), new breakthroughs like The Ohio State University’s world’s first rechargeable solar battery (announced 10/2014), should be further aided for scale up and commercialization by both enhanced financing assistance and, further technological advice and assistance. Developed in 2014 by an Ohio State University research team with DOE financial support, the new battery integrates two technologies into one efficient device. Manufacturing costs for solar systems can be reduced up to 25% by integrating the light-harvesting function into a battery. Similar efforts have yielded promising results on the demand side through products like American Electric Power’s gridSmart which received US DoE support.

Sorely needed is a robust planning effort aided by regulators, as contemplated in the WIRES reports on “Market Resource Alternatives: An Examination of New Technologies in the Electric Transmission Planning Process,” London Economics International, LLC, Frayer, Wang, October 2014. Furthermore, opportunities for distributed and advanced renewable energy should be addressed in community level economic development and planning through the Commerce Department’s Comprehensive Economic Development Strategies (CEDS).



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Lastly, more availability of tax preferred financing such as “green bond funds” could be expanded to accommodate these transitional grid needs, and their related MARs.

Thank you for your consideration and work on behalf of our nation.

Warm regards,

Hon. Paula Brooks
Franklin County, Ohio Commissioner